



MINUTES

Medical Assistance Projections and Assessment Council

October 3, 2006

DRAFT
FOR DISCUSSION PURPOSES
ONLY

MEMBERS PRESENT:

Senator Maggie Tinsman, Co-chairperson
Senator Jack Hatch, Co-chairperson
Senator Jeff Angelo
Senator Amanda Ragan

Representative Danny Carroll, Co-chairperson
Representative Deborah Berry
Representative Ro Foege
Representative Dave Heaton
Representative Linda Upmeyer

MEETING IN BRIEF

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- I. Procedural Business.
- II. Department of Human Services (DHS) Update on IowaCare and Medicaid.
- III. Broadlawns Medical Center (BMC) Update on IowaCare.
- IV. University of Iowa Hospitals and Clinics (UIHC) Update.
- V. Electronic Medical Records Demonstration
- VI. Materials Distributed and on File With the Legislative Services Agency – Legal Services Division.



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I. Procedural Business.

Meeting Times. The meeting was convened by Co-chairperson Carroll at 3:55 p.m., in the Supreme Court Consultation Room, Committee Room 102, of the Statehouse upon the adjournment of the Mental Health, Mental Retardation, Developmental Disabilities, and Brain Injury Services Funding Study Committee meeting. The meeting was adjourned at 5:00 p.m.

Next meeting. The next meeting of the Council will be held during the second quarter of the fiscal year, with the date and location of the meeting to be announced at a later date.

II. Department of Human Services (DHS) Update on IowaCare and Medicaid.

Overview. Assistant Medicaid Director Ms. Jennifer Vermeer, accompanied by Medicaid Director Mr. Gene Gessow, and DHS Director Mr. Kevin Concannon, presented a status report regarding the IowaCare Program and the Medicaid program.

Enrollment and Funding. Ms. Vermeer reported that enrollment as of September 7, 2006, was 14,530, which is lower than previous enrollment. She attributed much of the current decline in enrollment to the annual process of reenrollment. Ms. Vermeer also reported that the program goal of covering the intergovernmental transfer loss of \$65 million will be met. She reminded the Council that the University of Iowa Hospitals and Clinics (UIHC) had received an additional \$10 million appropriation for FY 2005-2006, which helped to draw down more federal funding. Even if all of the additional funding is not expended for FY 2005-2006 claims, the remainder will be carried forward to the next fiscal year.

Recent Broadlawn-Related Initiatives. Collection of premiums at Broadlawn Medical Center (BMC) began on September 5, 2006, with Iowa Medicaid Enterprise (IME) staffing the collection unit. The staff accepts cash, checks, money orders, and travelers checks. Ms. Vermeer reported that the Code chapter 28E agreements with UIHC and BMC have been signed, the contract for the Child and Family Policy Center to conduct a survey of the disenrolled has been signed, and the UIHC pilot program for prescription drugs and durable medical equipment (DME) began on August 14, 2006.

IowaCare Health Care Reform Projects. Ms. Vermeer also reviewed the various health care reform projects that were mandated under 2005 Iowa Acts, ch 167, H.F. 841. The 24-hour nurse helpline provided through UIHC began on October 2, 2006. The Electronic Medical Records Project is being tested and will be available in fall 2006. The request for proposals for the dental home project is being drafted, with the start of the project scheduled for 2008. The child and adult smoking cessation benefit package will be available beginning in January 2007.

Medicaid Update. With regard to the Medicaid program in general, Ms. Vermeer reported that the Remedial Services Program, which will replace the Adult Rehabilitation Option will begin November 1, 2006, with a transition period lasting until January 1, 2007. Additionally, H.F. 2734, enacted by the 2006 General Assembly, requires DHS to apply for certain grant



opportunities under the federal Deficit Reduction Act. The IME proposes applying for four grant projects, including a \$1.5 million grant for outreach to assure preventive screenings and early diagnosis of chronic disease partnering with Des Moines University; instead of a \$4.0 million grant to provide Medicaid coverage of services to parents in the child welfare system, a grant relating to electronic medical records and the Medicaid Management Information System; a \$1.0 million grant to improve training and compliance of documentation requirements in home and community-based services (HCBS) and other programs; and a \$.5 million grant to create a fiscal agent for wage deductions and to set up a health insurance pool for independent consumer directed care attendants partnering with AFSCME. Ms. Vermeer also mentioned that the federal Deficit Reduction Act included \$50 million for a Centers for Medicare and Medicaid Fraud and Abuse Program, which will allow national contractors to conduct audits of providers.

Member Questions. Representative Upmeyer inquired about feedback from nursing facilities regarding level of care assessments. Mr. Gessow explained that many facilities are being challenged to document the citizenship of residents under new federal requirements.

Senator Angelo, Co-chairperson Heaton, and Representative Upmeyer discussed the new federal requirements and federal audit activities with Mr. Gessow, noting that parents of special needs children have raised issues and others have concerns. Mr. Gessow expressed the belief that Iowa is not being targeted by the federal government as many states are experiencing these challenges.

III. Broadlawns Medical Center Update on IowaCare.

Overview. Ms. Mikki Steir, BMC Senior Vice President, Government and External Relations, presented information for BMC as a provider under the IowaCare Program.

Enrollments. Ms. Steir reported that BMC provides 36 percent of the care to IowaCare enrollees and has the largest percentage of enrollees in the state. More than 52,000 visits to BMC have been made under the program.

Challenges. Ms. Steir thanked legislators for supporting the collection of premiums at BMC. Even though BMC verified citizenship prior to the institution of the IowaCare Program, BMC is working with DHS to develop a process whereby citizenship would not have to be verified more than once for the various programs. The first annual reenrollment period is beginning and BMC is finding that the average length an account may be pending for reenrollment, due to citizenship verification, is 30 or more days. DHS is allowing 20 days for provision of information for reenrollment and a client may ask for an extension. The issue of transfer of IowaCare patients from BMC to UIHC for tertiary care is ongoing.

BMC has provided \$2,547,620 in pharmaceuticals and \$72,855 in DME to IowaCare patients since July 2005. BMC is excited about the opportunity of providing health risk assessments as an incentive to patients and about the Electronic Medical Records Project. Ms. Steir noted



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that the first year of implementing the IowaCare Program has been a learning experience for BMC, but that communication has always been open with DHS.

IV. University of Iowa Hospitals and Clinics Update.

Overview. Dr. Stacey Cyphert, Special Advisor to the President for Health Science Government Relations, UIHC, provided information for UIHC as one of the IowaCare providers. Dr. Cyphert reported that there is an issue of individuals being enrolled in the IowaCare Program who also have access to group health insurance. The volume of IowaCare patients at UIHC remains brisk, with 3,900 unique IowaCare and Chronic Care patients having made 11,112 visits through September 21, 2006. Over 149,000 miles have been logged on UIHC vans in transporting IowaCare patients to UIHC, and patients have come from all 99 counties. On August 14, 2006, UIHC implemented pilot pharmaceutical and DME programs. Over 8,600 prescriptions have been filled at a cost of approximately \$199,000, and 90 patients have received DME at a cost in excess of \$25,000. In general, the pharmaceutical program covers generic pharmaceuticals unless an IowaCare patient requires a brand name pharmaceutical, in which case a 30-day supply of the brand name pharmaceutical will be provided.

Member Questions. Co-chairperson Carroll asked UIHC and DHS to work together to ensure that eligibility verification is working properly. Co-chairperson Heaton inquired as to whether telemedicine can be used for follow-up with patients. Dr. Cyphert explained that it is being used as appropriate with the corrections population.

V. Electronic Medical Records Demonstration.

Overview. Mr. Randy Clemenson, IME, provided a demonstration of the Electronic Medical Records Project which provides information to Medicaid providers regarding eligible Medicaid clients based on processed Medicaid claims. The project is designed to provide information to improve patient care and to help reduce duplication of services. Mr. Gessow noted that the system is a start in that it does not provide current records or all information about a patient, but that it does have the advantage that IME owns all of the data and that the system structure can be built upon and will be compatible with other systems. Mr. Clemenson also provided assurances that the system is secure.

VI. Materials Distributed and on File With the Legislative Services Agency — Legal Services Division.

The following documents were distributed to members in connection with the meeting and can be accessed through the <Additional Information> link from the Council's Internet page: <http://www.legis.state.ia.us/asp/Committees/Committee.aspx?id=70>

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1. Department of Human Services (DHS) presentation.
2. Broadlawns presentation.
3. University of Iowa Hospitals and Clinics (UIHC).
4. Iowa Medicaid Electronic Record System (I-MERS) presentation.

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